



1300 I Street, NW, Suite 400 West
Washington, DC 20005

Phone 202 515-2543
Fax 202 336-7922
margaret.m.mccready@verizon.com

March 25, 2011

Ex Parte

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street S.W.
Washington, DC 20534

Re: Universal Service Contribution Methodology, WC Docket No. 06-122

Dear Ms. Dortch:

On March 24 Marybeth Banks of Sprint, Erin Boone of Level 3 Communications, Sheba Chacko of BT Americas, Tiki Gaugler of XO Communications, Ivana Kriznic of Orange Business Services (France Telecom), Tiffany Smink of Qwest, Joel Winnik of Hogan Lovells representing NTT America, and Chris Miller and the undersigned of Verizon, met with Carol Matthey, Rebekah Goodheart, Trent Harkrader, Vickie Robinson, Ernesto Beckford, Nicholas Degani, Claudia Fox, Carol Pomponio, and Chin Yoo of the Wireline Competition Bureau. The purpose of the meeting was to discuss universal service contributions and, more specifically, services that incorporate Multi-Protocol Label Switching (MPLS).

During the meeting we discussed the record regarding MPLS-enabled services in this docket as well as the larger family of IP-enabled services in the Commission's *IP-Enabled Services* proceeding that has been open and largely unresolved since 2004.¹ We suggested that customers, the industry, and the Commission would benefit from a settled, common understanding of expectations regarding potential USF contributions on services that incorporate MPLS. We said that providers cannot be expected to contribute to the fund on MPLS itself because MPLS is a technology, not a service, and reference to MPLS as a service in the FCC Form 499A Worksheet Instructions causes confusion that the Commission should address in a rulemaking proceeding. As the Commission did with interconnected VoIP services, we suggested that the Commission could return to its *IP-Enabled Services* proceeding to address MPLS-enabled services.

In addition, we explained that as a class of services, many MPLS-enabled services in fact have the characteristics of information services and are treated as such. Regardless, we said that to settle uncertainty the Commission should address the treatment of MPLS-enabled services in either

¹ *IP-Enabled Services*, Notice of Proposed Rulemaking, 9 FCC Rcd 4863 (2004).

Marlene H. Dortch

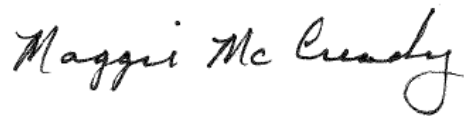
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its expected upcoming Notice of Proposed Rulemaking regarding universal service contributions or a different rulemaking proceeding in order to establish clear rules and expectations should the Commission decide to seek contributions on services based on MPLS. We suggested it would be appropriate for the Commission to address MPLS-enabled services going forward in order to ensure consistent prospective treatment throughout the industry.

Should you have any questions, please contact me.

Sincerely,

A handwritten signature in black ink that reads "Maggi McCreedy". The signature is written in a cursive, flowing style.

cc (e-mail): Carol Matthey
Rebekah Goodheart
Trent Harkrader
Vickie Robinson
Ernesto Beckford
Nicholas Degani
Claudia Fox
Carol Pomponio
Chin Yoo